Senate

General Assembly

File No. 49

January Session, 2011

Substitute Senate Bill No. 396

Senate, March 10, 2011

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING INSURANCE COVERAGE FOR THE SCREENING AND TREATMENT OF PROSTATE CANCER.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 38a-492g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2012*):

[Each**]** On and after January 1, 2012, and until December 31, 2013, each individual health insurance policy providing coverage of the type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469 delivered, issued for delivery, renewed, amended or continued in this state **[**on or after January 1, 2000,**]** shall provide coverage for: **[**laboratory**]**

(1) Laboratory and diagnostic tests, including, but not limited to, prostate specific antigen (PSA) tests, to screen for prostate cancer for men who are symptomatic **[**,**]** or whose biological father or brother has been diagnosed with prostate cancer, and for all men fifty years of age or older; **[**.**]** and

(2) The treatment of prostate cancer, provided such treatment is medically necessary and in accordance with guidelines established by the National Comprehensive Cancer Network, the American Cancer Society or the American Society of Clinical Oncology.

Sec. 2. Section 38a-518g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2012*):

[Each**]** On and after January 1, 2012, and until December 31, 2013, each group health insurance policy providing coverage of the type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469 delivered, issued for delivery, renewed, amended or continued in this state **[**on or after January 1, 2000,**]** shall provide coverage for: **[**laboratory**]**

(1) Laboratory and diagnostic tests, including, but not limited to, prostate specific antigen (PSA) tests, to screen for prostate cancer for men who are symptomatic **[**,**]** or whose biological father or brother has been diagnosed with prostate cancer, and for all men fifty years of age or older; **[**.**]** and

(2) The treatment of prostate cancer, provided such treatment is medically necessary and in accordance with guidelines established by the National Comprehensive Cancer Network, the American Cancer Society or the American Society of Clinical Oncology.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*January 1, 2012*	38a-492g
Sec. 2	*January 1, 2012*	38a-518g

INS *Joint Favorable Subst.*

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 12 $	FY 13 $
Various Municipalities	STATE MANDATE - Cost	Potential	Potential

Explanation

The bill results in no fiscal impact to the state in FY 12 and FY 13. The state employee health plan currently provides coverage for the treatment of prostate cancer and screenings in accordance with the guidelines set forth by the associations named in the bill.

The bill's provisions may increase costs to certain fully insured municipal plans that do not currently provide the coverage mandated. The coverage requirements may result in increased premium costs when municipalities enter into new health insurance contracts. For fully insured municipal plans who do not contract on an annual basis and whose contracts would not be renewed within the effective period stipulated in the bill, the mandated coverage may not apply. Due to federal law, municipalities with self-insured plans are exempt from state health insurance benefit mandates.

Many municipal health plans are recognized as "grandfathered" health plans under the Patient Protection and Affordability Act (PPACA)[1]. It is unclear what effect the adoption of certain health

[1] Grandfathered plans include most group insurance plans and some individual health plans created or purchased on or before March 23, 2010. Pursuant to the PPACA, all health plans, including those with grandfathered status are required to

mandates will have on the grandfathered status municipal plans PPACA[2].

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future for municipal plans that decide to continue coverage beyond December 31, 2013 or until the end of their health plan contract thereafter. There may be a potential cost to the state if the guidelines put forth by the associations change the scope or course of treatment currently covered by the state employee health plan, and if the revised course of treatment were voluntarily adopted by the state's self-insured employee health plan.

provide the following as of September 23, 2010: 1) No lifetime limits on coverage, 2) No rescissions of coverage when individual gets sick or has previously made an unintentional error on an application, and 3) Extension of parents' coverage to young adults until age 26. (www.healthcare.gov)

[2] According to the PPACA, compared to the plans' policies as of March 23, 2010, grandfathered plans who make any of the following changes within a certain margin may lose their grandfathered status: 1) Significantly cut or reduce benefits, 2) Raise co-insurance charges, 3) Significantly raise co-payment charges, 4) Significantly raise deductibles, 5) Significantly lower employer contributions, and 5) Add or tighten annual limits on what insurer pays. (www.healthcare.gov)

OLR Bill Analysis

sSB 396

AN ACT CONCERNING INSURANCE COVERAGE FOR THE SCREENING AND TREATMENT OF PROSTATE CANCER.

SUMMARY:

Current law requires certain individual and group health insurance plans to cover laboratory and diagnostic tests to detect prostate cancer in men who are (1) symptomatic or in high-risk categories and (2) age 50 or older. This bill expands coverage for detection and treatment of prostate cancer, but only for two years, from January 1, 2012 to December 31, 2013. After December 31, 2013 all required coverage ends.

The bill expands individual and group health insurance coverage to include prostate cancer treatment if it is "medically necessary" and in accordance with guidelines established by (1) the National Comprehensive Cancer Network, (2) the American Cancer Society, or (3) the American Society of Clinical Oncology.

The bill also extends prostate cancer screening requirements to individual and group health insurance policies amended in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including coverage under an HMO plan. Current law already applies to such policies delivered, issued, continued, or renewed in the state. (Due to federal law (ERISA) state health insurance mandates do not apply to self-insured plans.)

EFFECTIVE DATE: January 1, 2012

BACKGROUND

Medically Necessary

The law defines "medically necessary" as health care services that a physician, exercising prudent clinical judgment, would provide to a patient to prevent, evaluate, diagnose, or treat an illness, injury, disease, or its symptoms, and that are:

1. in accordance with generally accepted standards of medical practice;

2. clinically appropriate, in terms of type, frequency, extent, site, and duration and considered effective for the patient's illness, injury, or disease;

3. not primarily for the convenience of the patient, physician, or other health care provider; and

4. not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute
Yea 9 Nay 7 (02/22/2011)